GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:3192
ANSWERED ON:17.12.2015
Unused Properties of Air India
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Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of the properties of Air India lying vacant and unused for a long time across the country, as on date, State/UT-wise and the volume of all fixed assets of Air India as on date;

(b) the efforts taken/being taken by the Air India for commercial utilisation of the said properties along with the revenue generated therefrom during each of the last three years and the current year, yearwise;

(c) whether the Air India has utilized such revenue in reducing its debts during the said period;

(d) if so, the details thereof and if not, the reasons therefor along with the total debt position of the Air India as on date; and

(e) the other steps taken/being taken by the Government to make the Air India debt free?

Answer

Minister of State in the Ministry of CIVIL AVIATION
(Dr Mahesh Sharma)

(a): Following freehold properties of Air India are lying vacant as on date:-
1. Land for Booking office, Chennai, Tamil Nadu
2. Land for Booking office, Coimbatore, Tamil Nadu
3. Land for Booking office, Bangalore,Karnataka
4. Land for office premises, Bangalore, Karnataka
5. Land for Housing colony, Bangalore, Karnataka
6. Land for Housing colony Trivandrum, Kerala
7. Land for Staff Quarters Trivandrum, Kerala
8. Land for Staff Quarters, Ahemadabad, Gujarat
9. Land for Booking Office, Jamnagar, Gujarat
10.Land for Booking Office, Rajkot, Gujarat
11.Residential land, Gurgoan, Haryana

The total fixed assets of Air India as on 31st March, 2015 are Rs.34,695 crore.

(b): Efforts have been made by Air India to monetize its Real Estate assets. To initiate the Monetization process, a global real estate consultant M/s DTZ was appointed by Air India through a global tendering process. An Oversight Committee comprising of a retired Supreme Court/High Court judge, a retired CVC and an ex-CAG, has been constituted to advise and oversee (i) the process of valuation of immovable assets owned / leased by Air India, (ii) the process of maximization of monetization of such assets, (iii) the procedure to be adopted for revenue generation out
of such monetisation.

(c): No Madam.

(d): No debt has been retired by Air India out of sale proceeds as no property of Air India has been sold till date. Total Debt of Air India as on 31.3.2015 is Rs. 49,562 crores.

(e): The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 12.04.2012, approved a Turnaround Plan (TAP)/ Financial Restructuring Plan (FRP) for operational and financial turnaround of
Air India. The TAP/FRP provides equity infusion of of Rs.30231 crores upto 2021 subject to achievement of certain milestones as laid down in the TAP/FRP. Equity induction has been approved for the following:
(i) Upfront equity of Rs.6750 crore in FY 2011-12.
(ii) Equity for Cash deficit support of Rs.4,552 crore till FY 2017-18.
(iii) Equity for guaranteed aircraft loan till FY 2021 of Rs.18,929 crores.

For GOI guaranteed Non-Convertible Debentures(NCDs) an amount of Rs 11,951 crores towards interest and Rs 7400 crores towards principal.

As on date, equity of Rs.22,280 crores has been released to Air India under TAP/ FRP.